Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

2F

Foreign CROPS AND MARKETS

VOLUME 63 NUMBER 6

FOR RELEASE

MONDAY

AUGUST 6, 1951

LIBRARY
CURRENT SERIAL RECORD
AUG 1 1951
U.S. DEPARTMENT OF AGRICULTURE

CONTENTS

Page

COTTON AND OTHER FIBER
Cotton Consumption and Imports in Western Germany 139
1951-52 Cotton Outlook in Turkey 141
Cotton-Price Quotations on World Markets 142

FATS AND OILS
Modern Palm Oil Facilities Installed at Belawan, Indonesia .. 125
Costa Rica Contracts For Margarine Factory 125
Canada's Flaxseed, Soybean Acreage Up Sharply 126
India to Export Castor Oil, Linseed Oil on Quota Basis 126
French West Africa Encourages Castor Bean Production 127
Nigeria's 1951-52 Peanut Prospects Favorable 127

FRUITS, VEGETABLES AND NUTS
Canadian Apple Crop Down; Most Other Fruits Up 135

GRAINS, GRAIN PRODUCTS AND FEEDS
Canada's Grain Acreage Shows Slight Increase 129
Soviet Union Imports Rice From Egypt 131
Australian Wheat Acreage Smaller 134
Iran Expects Slightly Smaller Grain Crop 135
European Rice Crop Prospects Good 131
Final Forecast of Pakistan's Rice Crop 132
Italian Rice Exports Largely to Other European Countries 133
Drought Reduces Argentine Wheat Seeding 134

LIVESTOCK AND ANIMAL PRODUCTS
Rise in Prices of New Zealand Dairy Products Sold to U.K. ... 128

SEED
Orchardgrass Seed Down Slightly in Denmark 136

TOBACCO
India's Tobacco Production and Exports Increased;
Imports Lower 136
French Tobacco Production and Imports Higher 137
South Africa's Tobacco Production Revised Downward 138

TROPICAL AND MISCELLANEOUS PRODUCTS
Record Canadian Mustard Seed Production Expected 138

UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS
WASHINGTON 25, D.C.

FOREIGN CROPS AND MARKETS

Published weekly to inform producers, processors, distributors and consumers of farm products of current developments abroad in the crop and livestock industries, foreign trends in prices and consumption of farm products, and world agricultural trade. Circulation of this periodical is free in the United States to those needing the information it contains in farming, business and professional operations. Issued by the Office of Foreign Agricultural Relations of the U.S. Department of Agriculture, Washington 25, D.C.

COMMODITY DEVELOPMENTS

FATS AND OILS

MODERN PALM OIL FACILITIES INSTALLED AT BELAWAN, INDONESIA

Modern pumping facilities for the handling of palm oil at the port of Belawan, Indonesia, were put into operation on June 14, 1951, when 2,200 short tons of oil were pumped into the ship Ampenan of the Rotterdam Lloyd line, according to James W. Gould, American Consulate, Medan. The new installations, construction of which began late in 1949, will be used for unloading from railroad tank-cars and loading into ships.

For the last 3 years, the Deli Tankbedrijf plant in Belawan has been working with a small emergency installation. Only one pump was available and this pump has loaded and unloaded some 165,000 tons of palm oil since it was placed in operation.

At present the tank station has 2 loading and 2 unloading pumps, with one of each held in reserve. However, the capacity will be increased further by adding another loading and 3 unloading pumps. Previously only 50 tank-cars could be unloaded per day. Now 70 cars can be discharged easily. The loading capacity has been raised from 110 tons to 185 tons per hour.

The Deli Tankbedrijf plant has 27 tanks of 550-ton capacity in Belawan. These tanks will hold about one-tenth of the annual production of the oil palm estates. More tanks are needed to keep pace with the rise in production and at present 2 new tanks are under construction. The plan is to have 50 to 60 tanks in the future.

Before the war there were 54 tanks in Belawan which handled more than 190,000 tons of palm oil from the East Coast annually. After the war only 2 tanks were found to be intact. The first shipment of palm oil in bulk took place in January 1948.

COSTA RICA CONTRACTS FOR MARGARINE FACTORY

A margarine factory to supply the needs of the country has been contracted for by the Government of Costa Rica, according to William P. Stedman, Jr., American Embassy, San Jose. Formal negotiations were completed on May 8, 1951, when a contract was signed by the Costa Rican Minister of Agriculture and Industry and an American citizen.

Under the terms of the contract, as contained in the Diario Oficial-La Gaceta of May 10, 1951, the factory is to be completed and in operation within 6 months. The product is to be of equal quality and comparable in price with imported margarine. Domestic raw material will be utilized as available and 90 percent of the employees are to be Costa Ricans.

The successful operation of the factory will depend largely on the number of Costa Ricans who will use margarine instead of butter. Present consumption of margarine is almost non-existent because none has been produced and imports have been insignificant. The fact that the new product will sell for considerably less than butter is expected to aid greatly toward developing a market.

CANADA'S FLAXSEED, SOYBEAN ACREAGE UP SHARPLY

Canada's flaxseed acreage for 1951 is almost double last year's while soybean plantings are about one-fourth larger, according to the Dominion Bureau of Statistics. Official preliminary estimates place the flaxseed area at 1,112,200 acres compared with 560,000 (revised) in 1950 and the soybean area at 176,100 acres against 142,000 last year.

The preliminary flaxseed estimate represents a 6 percent increase over reported planting intentions as of April 30. (See Foreign Crops and Markets, May 21, 1951, Late News item page 603.) The Prairie Provinces accounted for 94 percent of the total flaxseed plantings with the area almost doubled in Saskatchewan and Manitoba and far more than doubled in Alberta.

Condition of the flaxseed crop for all Canada as of mid-July was 95 percent of the long-time average yield. On this basis 1951 production should be 8 to 8.5 million bushels compared with 4.5 million last season. Thus the outlook is for a crop sufficient to meet domestic needs plus a margin for export.

On the basis of the average yield per acre for the past 10 years, the soybean area, all of which is in Ontario Province, could for the fifth successive year produce a record crop - around 3.5 million bushels. Last year's harvest amounted to over 3.0 million bushels. Canadian requirements, however, continue to be much larger than production.

INDIA TO EXPORT CASTOR OIL, LINSEED OIL ON QUOTA BASIS

The Government of India has decided to export castor oil and linseed oil on a quota basis during the year July 1951 to June 1952, according to the American Embassy, New Delhi.

Established Indian exporters of castor oil will be allowed to ship during the quarter October - December 1951, a quota of 20 percent of the individual shipper's last year's exports. In the case of linseed oil, a quota of 30 percent of the average of the past 3 years' exports will be allowed during the quarter July - September 1951.

Export allocations also will be made to newcomers, details of which will be announced later by the Export Trade Controllers at Indian ports.

India exported 21,102 short tons of castor oil during 1950. (See Foreign Crops and Markets, June 4, 1951, Vol. 62, No. 23.) Linseed oil exports during 1950 amounted to 6,421 tons, whereas exports for the past 3 years averaged 8,762 tons.

FRENCH WEST AFRICA ENCOURAGES CASTOR BEAN PRODUCTION

French West African agricultural planners have launched a campaign to encourage the planting of castor beans, traditionally one of the minor export crops of the Federation, according to W.W. Birge Jr., American Consulate General, Dakar.

Farmers in Guinea and in other Territories having suitable climatic conditions were encouraged at the outbreak of World War II to plant castor beans to provide castor oil for use as an essential lubricant for air-craft and other high-speed engines. The expected market did not materialize, and farmers since that time have been reluctant to undertake planting castor beans on a wide scale.

For the next harvest, however, several hundred acres will be added to areas already producing castor beans in Guinea, and it is expected that this crop will provide a valuable--if relatively minor--addition to the "commercialized" agricultural output of this Territory.

NIGERIA'S PEANUT CROP PROSPECTS FAVORABLE

Nigeria's 1951-52 peanut crop is expected to be very good, barring a serious drought later in the season, reports E.D. Crowley, American Consulate General, Lagos. In contrast to last year, rains arrived in time and vegetation is promising.

If favorable weather continues, the export crop should be between 280,000 and 340,000 short tons of shelled nuts. Purchases by the Groundnut Marketing Board from the 1950-51 crop amounted to only about 155,000 tons.

A provisional mimimum price of £33 ($92) a long ton, with the possibility of a further increase, was announced early in the season by the Nigerian Groundnut Marketing Board. Last season's price was £ 21-4-0 ($59). (See Foreign Crops and Markets, May 7, 1951, Vol. 62, No. 19.)

LIVESTOCK AND ANIMAL PRODUCTS

RISE IN PRICES OF NEW ZEALAND DAIRY PRODUCTS SOLD TO U.K.

The maximum price increase of 7 1/2 percent permitted under the bulk purchase contract with the United Kingdom has been granted for finest and first grade butter supplied by New Zealand during the 1951-52 season, with an appropriate increase for cheese and nonfat dry milk, according to J. Clewlow, American Embassy, Wellington.

The new f.o.b. prices with prices for the 1950-51 season as a comparison are shown in the table that follows:

	1951-52	1950-51
	Per Lb.	
Butter, finest grade	36.50	33.94
first grade	36.35	33.78
second grade	35.25	30.94
Cheese, finest & first grade	20.19	18.88
second grade	18.94	17.44
Spray dried skim milk powder	10.56	9.69
Roller dried skim milk powder	8.75	8.13

The prices for whey butter and roller-dried buttermilk powder remain unchanged. As there was no increase in the prices for second grade butter and cheese during the 1950-51 season, the increase this year is larger than the maximum amount permitted under the bulk purchase contract.

The amount of the exportable surplus available to outside markets has been increased from 10 to 15 percent for the 1951-52 season. This increase applies to both butter and cheese and no longer includes the proviso that the quantity of cheese to be sold to other markets should not exceed the figure of 12,000 tons. Previously, however, the 90 percent sold to the United Kingdom included the quantity imported by British Colonies such as Jamaica, Bermuda and the Bahama Islands, which amounted to about 1-1/2 to 2 percent. Under the agreement for the 1951-52 season, imports to these Colonies will now be supplied from the 15 percent exportable surplus available to outside markets.

GRAINS, GRAIN PRODUCTS AND FEEDS

CANADA'S GRAIN ACREAGE SHOWS SLIGHT INCREASE

Canada's preliminary estimate of grain acreage shows a small net increase in the total acreage in grains and a corresponding decline in land in summer-fallow. Wheat acreage is smaller by about 1.3 million acres and barley acreage is about 1.4 million acres larger than in 1950. An increase of about 0.4 million acres is noted for oats. Estimates are in most instances based on returns from the annual June survey of field crops. The data are preliminary and subject to revision as check become available after the close of the crop year.

For Canada as a whole the survey indicates some shift from wheat and summer-fallow acreage into coarse grains and flaxseed. The indicated wheat acreage of 25.7 million acres is 5 percent smaller than the near-record acreage a year ago. Larger acreages of barley and oats, however, offset the declines in wheat and summer-fallow.

The largest reduction in wheat acreage is reported for Alberta, with a decline of about 0.9 million acres, a 12 percent reduction. The acreage in Saskatchewan is about 0.4 million acres, while the acreage in Manitoba was maintained at the 1950 level. Acreage in Ontario, the only wheat producer of significance outside the Prairie Provinces, shows a slight decline from the 1950 acreage. Wheat acreage in this Province is mainly winter wheat remaining for harvest.

The barley acreage of 8 million acres would be second only to the record acreage of 8.4 million in 1943. Barley increases were general in all important producing areas. The largest single gain was in Saskatchewan, followed closely by an increase of a half-million acres in Alberta. The increase to 3 million acres in Alberta brings acreage there to the highest figure on record.

The increase of about a half million acres in oats was fairly evenly distributed. Moderate increases were reported for all important growing areas except Quebec, where a slight decline was reported. Production of oats is more important in eastern Provinces than is the case for the other principal grains. Only about 60 percent of the current oats acreage is in the important grain producing Prairie Provinces, as compared with 95 percent of wheat and barley acreages.

Total rye acreage is slightly smaller than in 1950. Most of the reduction is reported for Manitoba. Acreage in that comparatively small rye-producing Province was about half the 1950 rye acreage.

Mixed grains, grown principally in Ontario, show a moderate acreage increase. Of the minor grains of the country, corn and buckwheat, acreage changes are insignificant.

Canada: Seeded acreage of principal grain crops and land in summer-fallow, 1951 with comparisons 1/

Province and year	Wheat	Oats	Barley	Rye	Mixed grains	Summer-fallow
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres
Quebec						
1950	33	1,546	142	14	354	-
1951	30	1,522	135	16	361	-
1951 as percent of 1950	91	98	95	114	102	-
Ontario						
1950	2/ 983	2,128	222	91	1,144	-
1951	2/ 957	2,121	224	76	1,231	-
1951 as percent of 1950	97	100	101	84	108	-
Manitoba						
1950	2,382	1,610	1,717	82	20	2,560
1951	2,400	1,740	2,040	42	20	2,063
1951 as percent of 1950	101	108	119	51	100	81
Saskatchewan						
1950	16,203	3,381	1,954	668	6	12,488
1951	15,810	3,575	2,561	672	7	12,198
1951 as percent of 1950	98	106	131	101	117	98
Alberta						
1950	7,251	2,455	2,534	312	43	5,950
1951	6,364	2,639	3,011	320	59	6,051
1951 as percent of 1950	88	107	119	103	137	102
Other Provinces						
1950	169	455	56	1	112	-
1951	170	468	65	1	129	-
1951 as percent of 1950	101	103	116	100	115	-
Canada						
1950	27,021	11,575	6,625	1,168	1,679	20,998
1951	25,731	12,065	8,036	1,127	1,807	20,312
1951 as percent of 1950	95	104	121	96	108	97

1/ Preliminary estimates for 1951.

2/ Includes winter wheat acreage remaining for harvest.

From reports of the Dominion Bureau of Statistics.

Total land in summer-fallow in the Prairie Provinces, at 20.3 million acres, is about 3 percent below the 1950 figure. A large part of the decrease is attributed to the reduction in Manitoba, where flooding last year was responsible for a substantial increase in land left in summer-fallow. The reduction from last year's figure was a half million acres, a decline of almost 20 percent. Saskatchewan reported a small percentage reduction and Alberta a slight increase.

SOVIET UNION IMPORTS RICE FROM EGYPT

The Soviet Union is to import 60,000 metric tons (132 million pounds) of rice from Egypt in exchange for 72,000 metric tons (2.6 million bushels) of wheat under a July barter agreement. Rice imports into the Soviet Union historically have been obtained primarily from Iran.

Total rice imports of the Soviet Union before the war (1934-38) averaged approximately 85 million pounds of which an average of about 75 pounds originated in Iran. In war and postwar years until 1947-48, Iran continued to export annually from 35 to 65 million pounds of rice to the Soviet Union. Since that year, however, only insignificant quantities have been delivered from Iran.

A barter agreement provided for exports in 1951 of 42,000 metric tons (93 million pounds) of Iranian rice to the Soviet Union. Iran, however, is reported to have had some difficulty in delivering the specified quantity.

The rice acreage of the Soviet Union declined during the war, but in postwar years efforts have been made to increase production from the prewar level.

EUROPEAN RICE CROP PROSPECTS GOOD

Rice acreage is being increased again in Europe this season and crops thus far are reported in good condition. Current prospects in Italy are for a bumper crop in 1951. Ample water supply at planting time was expected to result in an increase in acreage of as much as 10 percent. Although May conditions were reported only fair in about one-half of Italy's important rice-producing areas, late-June reports indicated the rice outlook had taken a decided turn for the better. The water supply at transplanting time was sufficient, weeds were under control, and the labor situation was satisfactory.

Rice: Acreage in specified countries of Europe, averages 1935-44, annual 1949-51

Country	1935-39	1940-44	1949	1950	1951 1/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres
France.....	1	1	20	28	40
Greece.....	5	3	19	24	2/
Italy......	362	381	326	357	370 - 395
Portugal...	47	59	69	122	136
Spain......	110	119	142	143	151

1/ Preliminary.
2/ Reported as much higher than last year.

Compiled from official estimates and estimates of U.S. Foreign Service officers.

Spain's 1951 rice acreage shows an increase from last year's record. Plentiful water supply reportedly permitted planting at a time advantageous for good production and the weather so far has been favorable. Another record acreage is forecast in Portugal, where seeding was largely completed by late May. Although cool weather was unfavorable for germination at planting time, rice fields in late July showed a promising aspect and growers were expecting another bumper crop.

The 1951 rice acreage of France is being increased considerably from last year's record. Although weather in southern France where the rice is produced has been about normal, information with respect to yields has not been reported. In Greece rice reportedly covers a much wider acreage than last year. Weather so far has been favorable for production.

FINAL FORECAST OF PAKISTAN'S RICE CROP

The revised final forecast of the 1950-51 rice crop of Pakistan released on July 16 is 27,560 million pounds of rough rice compared with 27,368 million pounds the preceding year, an increase of 0.7 percent. With the exception of Punjab and the winter and summer crops of East Pakistan, there was a general increase in the production throughout Pakistan due to favorable weather.

A crop decrease in the Punjab area was more than offset by a gain in the production of Sind, which amounted to 28 percent and is attributed to plentiful water supplies. Sind Province is the surplus area of Pakistan and an increase in production there in the last 2 years supplied approximately 600 million pounds for export during 1951.

The revised final forecast of the 1950-51 rice acreage of Pakistan is 22,401,000 acres compared with 21,772,000 acres in the corresponding forecast of 1949-50, an increase of 2.9 percent.

ITALIAN RICE EXPORTS LARGELY TO OTHER EUROPEAN COUNTRIES

Italy's rice exports from September 16 to May of the 1950-51 marketing year (September 16-September 15) totaled 320 million pounds, of which 308 million pounds, or 96 percent, was shipped to other European countries. The principal destinations were Germany, France, Sweden, Switzerland, and Austria.

ITALY: Rice exports, September 16 - May 1950-51 1/

Country of destination	September 16-January	February	March	April	May	September 16-May
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Algeria	3,102	155	440	133	355	4,185
Austria	14,102	1,495	0	1,691	2,907	20,195
Belgium	2,211	232	2,578	78	23	5,122
Czechoslovakia	100	900	0	1,079	0	2,079
Cuba	345	0	222	666	294	1,527
Denmark	973	2/	0	1,966	1,610	4,549
Finland	195	0	135	224	0	554
France	68,846	8,090	9,612	9,073	6,451	102,072
Germany	57,656	11,365	27,776	8,161	1,433	106,391
U.K. and colonies	3	0	427	3	667	1,100
Ireland	355	367	222	0	611	1,555
Iceland	387	222	0	0	222	831
Israel	667	2/	0	0	1	668
Yugoslavia	654	4,102	132	687	17	5,592
Morocco	1,311	0	151	0	0	1,462
Norway	896	0	0	0	0	896
New Zealand	818	0	0	0	0	818
Netherlands	3,483	448	0	3,261	3,518	10,710
Somaliland	150	144	234	212	34	774
Sweden	17,313	1,065	1,279	1,862	1,285	22,804
Switzerland	12,101	6,638	2,971	628	324	22,662
Tunisia	641	128	255	210	67	1,301
Other countries	1,067	72	57	443	284	1,923
Total	187,376	35,423	46,491	30,377	20,103	319,770

1/ Rough rice converted to terms of milled at 65 percent. 2/ Less than 500 pounds.

National Institute of Foreign Trade of Italy.

DROUGHT REDUCES ARGENTINE WHEAT SEEDING

Severe drought in Argentina's important wheat-producing Provinces, Cordoba and Santa Fe, prevented the seeding of the expected wheat acreage. Curtailment there has been sufficient to destroy hopes for any overall increase compared with the 1950 acreage, according to recent reports from the American Embassy, Buenos Aires. Conditions are better in other areas, but the decline in these 2 Provinces, which accounted for almost half the country's wheat acreage during the past 5 years, makes some decline from last year's acreage seem likely.

AUSTRALIAN WHEAT ACREAGE SMALLER

Seeding of Australia's 1951-52 wheat crop was nearing completion in early July, and prospects pointed to some reduction from last year's area of 11.9 million acres. The greatest drop is expected in the area for New South Wales where it is estimated that acreage seeded to wheat for grain will be less than 3 million acres, compared with 3.4 million acres last season. A reduction of about 10 percent is expected in South Australia compared with the 1950-51 area. A small reduction is also expected in Victoria. Little change from last year's wheat acreage is forecast for Western Australia and Queensland.

With reductions indicated for 3 of the main wheat-growing States, total acreage of wheat for grain in Australia for the 1951-52 season may be little more than 11 million acres. This would be approximately at the level of the war years when restrictions were applied. This contrasts with the prewar level of 13 million acres. Wheat acreage recovery in the postwar years was noticeable in 1945-46, with an area of 11.4 million acres in wheat for grain, but reached its postwar peak of 13.9 million in 1947-48.

While some of the acreage decline in the current season may be attributed to generally unfavorable conditions for the preparation of land and for early sowing, other factors have contributed to the decline. Continued shortages of labor, machinery, superphosphates, and bags have encouraged some shift from wheat to other types of farming. A considerable shift to wool production has been reported, since profits from wool have been high relative to wheat in the past few years.

The home consumption price of wheat is sharply below world prices, causing some dissatisfaction among growers. They point to high home consumption prices for wool, which maintain wool profits at a relatively high level in contrast with the effects of the low price for home consumption wheat.

Unfavorable seeding conditions were the result of dry weather until about mid-May over a large part of the main wheat-growing areas. Since that time, however, all areas have benefited from moderate to heavy rains, permitting seeding to continue. By the end of June seeding was completed in most areas, except in northern New South Wales and southeastern

Queensland. In those districts sufficient rain to permit seeding was not received until June, and showers had delayed operations since then.

The exceptionally extensive rains during June were of great benefit to the sown crop. Rains began in Western Australia early in the month and extended throughout the 4 main wheat-producing States. Falls of 1 to 4 inches occurred, and the present outlook is excellent in Western Australia, South Australia and Victoria. The rains have also caused considerable improvement in New South Wales.

IRAN EXPECTS SLIGHTLY SMALLER GRAIN CROP

The current outlook for the grain crop in Iran is for slightly below-average harvests of wheat and barley, according to H.B. Geib, Agricultural Attache, Teheran. The forecast wheat crop of about 68 million bushels is 5 percent below the prewar average (1935-39) and 8 percent below the revised estimate for 1950. The prospective barley production of 35 milmion bushels is also slightly less than in 1950 and about 8 percent less than in 1935-39.

The less favorable grain prospects than a year ago are attributed to continued dry weather and insect damage. Little change in acreage is reported.

FRUITS, VEGETABLES AND NUTS

CANADIAN APPLE CROP DOWN; MOST OTHER FRUITS UP

The first forecast of 1951 for fruit production in Canada shows an apple crop totaling 14.2 million bushels compared with 16.2 million last year. The important British Columbia crop is indicated at only 6.7 million bushels this season against 8.8 million in 1950; the Nova Scotian crop is down from 2.2 million to 1.6 million bushels. Both Quebec and Ontario show increases in apple prospects.

The production prospect for strawberries, raspberries and loganberries is also below last year's output, but the outlook for pears, plums and prunes, peaches, cherries, apricots and grapes is for larger crops.

(See accompanying table on following page)

CANADA: First estimates of fruit production in 1951, with revised estimates for 1950

Description	Unit	1950	1951
		Thousands	Thousands
Apples	bu.	16,166	14,193
Pears	bu.	866	1,171
Plums and Prunes	bu.	554	615
Peaches	bu.	1,220	1,732
Cherries	bu.	366	380
Apricots	bu.	21	62
Strawberries	qt.	25,517	21,281
Raspberries	qt.	11,271	9,364
Loganberries	lb.	953	679
Grapes	lb.	109,179	117,868

Dominion Bureau of Statistics

SEED

ORCHARDGRASS SEED DOWN SLIGHTLY IN DENMARK

The 1951 acreage of orchardgrass used in Denmark has been forecast by the Ministry of Agriculture in that country at 16,106 acres, according to the American Embassy in Copenhagen. This is 4 percent smaller than the 16,778 acres harvested in 1950, but 18 percent larger than the 1945-49 average of 13,702 acres. This year's yield in Denmark is reported to be about average, or about 450 pounds per acre. With a yield of that size, approximately 7,250,000 pounds or orchardgrass seed would be produced this year, compared with 8,982,000 pounds in 1950 and the 5-year average of 5,198,000 pounds.

TOBACCO

INDIA'S TOBACCO PRODUCTION AND EXPORTS INCREASED; IMPORTS LOWER

India's 1950-51 tobacco production is preliminarily estimated at 18 percent above 1949-50 and 3 percent above 1948-49, according to C. O. Winberg, Assistant Attache, American Embassy, New Delhi. Imports of unmanufactured tobacco during the 1950-51 fiscal year (April-March) were about the same as in recent years. Exports of unmanufactured tobacco during 1950-51 were 26 percent above 1949-50.

The country's 1950-51 tobacco production is tentatively estimated at 586.9 million pounds from 826,000 acres. This compares with 499.5 million pounds from 774,000 acres in 1949-50 and 571.2 million pounds from 803,000 acres in 1948-49. Flue-cured leaf is expected to establish an all-time high of 108 million pounds this season compared with 97 million pounds in 1949-50 and 78.1 million pounds in 1948-49. Increased production is attributable to the increased acreage planted to tobacco in Madras and Bombay states. Madras, the largest tobacco producing state in India, planted 314,000 acres this season compared with 293,000 acres in 1949-50 and Bombay, the second largest, planted 238,000 acres this season compared with 187,000 acres last year.

India imported over 6 million pounds of unmanufactured tobacco during the 1950-51 fiscal year (April-March), of which nearly 5.1 million pounds were supplied by the United States. No official data are available as to total unmanufactured tobacco imports during the 1949-50 fiscal year. However, during 1948-49 leaf imports totaled 7.0 million pounds. In addition to unmanufactured tobacco, India also imported 49.5 million cigarettes, 173,279 cigars and 11,889 pounds of smoking and other manufactured tobacco during 1950-51.

Exports of unmanufactured tobacco during 1950-51 totaled 90.1 million pounds compared with 71.4 million in 1949-50 and 66.8 million pounds in 1948-49. The United Kingdom, the most important export outlet, took 36.5 million pounds during the 1950-51. Western Pakistan, the second most important outlet, took 6.3 million pounds; the Netherlands ranked third, with 6.2 million; Belgium, fourth 5.1; Aden and Dependencies, fifth 4.2 million; and Sweden, sixth, 2.3 million pounds. Other destinations of India's unmanufactured tobacco exports included Denmark, Hong Kong, Egypt and Kenya. India also exported 804,221 pounds of cigarettes, 14,953 pounds of cigars and 4,312,400 pounds of other manufactured tobacco during 1950-51. Western Pakistan took most of the manufactured tobacco; however, Ceylon and other countries took small quantities.

FRENCH TOBACCO PRODUCTION AND IMPORTS HIGHER

France's 1951 tobacco production is estimated at 8 percent below 1950, according to Monroe McCown, Agricultural Attache, American Embassy, Paris. Imports of leaf tobacco during the first 5 months (January-May) 1951 more than quadrupled the comparable 1950 period.

The country's 1951 leaf harvest is estimated at 103.6 million pounds from about 71,660 acres compared with last season's output of 112.4 million pounds from 71,000 acres. The decrease in the 1951 estimate is attributable to unfavorable growing conditions in the early growing season which necessitated more replanting than last year.

Imports of leaf tobacco during the first 5 months of 1951 totaled 40.6 million pounds compared with only 9.0 million pounds during the corresponding 1950 period. Yugoslavia, the most important source of leaf, supplied 10.1 million pounds. The United States ranked second in importance as a source of leaf by supplying 5.4 million pounds; Madagascar, third, with 5.2 million; Greece, fourth, with 4.6 million; and Turkey, fifth, with 3.8 million pounds. Other countries supplying France with leaf during January-May 1951 included Western Germany, Hungary, Algeria, Cameroons, East and West Africa, Paraguay, Brazil and others.

SOUTH AFRICA'S TOBACCO PRODUCTION REVISED DOWNWARD

South Africa's 1950-51 tobacco production is now placed at about 9 percent below the preliminary estimate, according to J. L. Dougherty, Agricultural Attache, American Embassy, Pretoria.

The country's 1950-51 leaf harvest is now estimated at 43.5 million pounds compared with an earlier preliminary estimate of 47.9 million pounds. Total production for 1949-50 is estimated at 41.7 million pounds compared with 45.6 million pounds in 1948-49. Of the total 1950-51 tobacco crop, flue-cured leaf will constitute about 19.8 million pounds, or 46 percent; dark air-cured, 12.8 million, or 29 percent; light-air cured, 9.8 million or 22 percent; and Turkish leaf, the remaining 1.1 million pounds or 3 percent. The 1949-50 leaf harvest was made up of 20.0 million pounds, or 48 percent flue-cured; 11.0 million or 26 percent dark air-cured; 9.9 million or 24 percent light air-cured; and 775,000 pounds or 2 percent of Turkish leaf.

TROPICAL AND MISCELLANEOUS PRODUCTS

RECORD CANADIAN MUSTARD SEED PRODUCTION EXPECTED

Canada's 1951 production of mustard seed used in making condiment mustard is forecast at a record total of 29 million pounds, according to Philip C. Habib, Vice Consul, American Embassy, Ottawa. An estimated 42,000 acres were planted in 1951, of which 31,500 acres are yellow mustard, 9,500 acres are brown mustard, and 1,000 acres are in the Oriental variety. Two seed firms in Lethbridge report contracts for 27,000 acres, and Montana interests contracted for 15,000 acres.

Weather conditions in the mustard area have been favorable for the current crop. The season was a little late, but there has been adequate rainfall and the crop has progressed very well. Dry, hot weather late in the growing season will be needed to produce the best seed.

Canadian mustard seed acreage amounted to about 14,325 acres in 1950, compared with 5,000 acres in 1949 and 30,000 acres in 1948. Production totaled about 7 million pounds in 1950, compared with 2 million pounds in 1949 and 21 million pounds in 1948.

There are no substantial stocks of mustard seed remaining in Canada. Canadian requirements for grinding are estimated at 2 million pounds, so about 27 million pounds from the current crop should be available for export. Trade sources expect the bulk of exports to go to the United States, but United Kingdom buyers are reported to be back in the Canadian market for the first time since 1948. Prior to 1949, substantial quantities of

Canadian mustard seed moved to the United Kingdom. Contract prices to growers per 100 pounds of cleaned number 1 yellow mustard seed were fixed at $7.00 in 1951, compared with $5.50 in 1950 and $6.75 in 1949.

Commercial production of mustard seed in Canada is centered in a relatively small area around Lethbridge in Southern Alberta. Introduced from Montana about 16 years ago, it has become an important dry-land crop in this region. Although Canadian growers have usually put in some mustard acreage for United States processors, the current plantings for these accounts are the largest since the crop was introduced into Canada. A United States mustard seed broker reported that United States interests were extending their operations into Alberta because many mustard seed producers in Montana were switching from mustard to wheat this year, and that seed houses were obliged to look to Canada for larger quantities of mustard.

COTTON AND OTHER FIBER

COTTON CONSUMPTION AND IMPORTS IN WESTERN GERMANY

Consumption of raw cotton by the textile mills of Western Germany during the first 8 months of the 1950-51 season totaled 719,000 bales (500 pounds gross), 22 percent above the 591,000 bales consumed during the same period of 1949-50. Monthly consumption followed a steady upward trend from 82,000 bales in August 1950 to 101,000 in March 1951 compared with a monthly average of 73,000 bales consumed in 1949-50. Later reports indicate that a sharp decline occurred in the latter part of the 1950-51 year and total consumption for the year may not have exceeded a million bales. This would be about a 10-percent increase over 1949-50 consumption of 873,000 bales.

This increase in consumption, combined with the world shortage of cotton and a critical exchange situation, has made it difficult for Western Germany to obtain raw cotton to maintain adequate stocks for the industry. Stocks of raw cotton at the end of March 1951 amounted to 236,000 bales, or somewhat more than 2 months' supply at the current level of consumption. The use of rayon staple fiber to supplement cotton textile production has afforded some relief to the supply situation, but shortages of raw materials limit the output of the synthetic fibers as well.

During the first 11 months of 1950-51 a total of 871,000 bales of raw cotton was imported by Western Germany, about 54 percent originating in the United States. An unusually large quantity of 170,000 bales was imported from Turkey. Other significant quantities were imported from Egypt, India, Brazil, and Iran. There were several new sources of cotton in 1950-51, including Iraq, Syria, Belgian Congo, Nicaragua, and small amounts of Sea Island cotton from the British West Indies. This is a result of the liberalization of foreign exchange in Western Germany in effect during 1950, which permitted importers to obtain cotton from new sources.

FED. REP. OF GERMANY: Imports of raw cotton from major countries of origin; average 1934-38; annual 1947-48, 1948-49, 1949-50; August-June 1949-50 and 1950-51
(Equivalent bales of 500 pounds gross)

Country	Year beginning August 1				August-June	
	Average 1934-38	1947-48	1948-49	1949-50	1949-50	1950-51
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
United States	300.8	252.7	399.4	772.7	650.4	474.2
India	117.6	0	12.1	33.5	32.5	40.7
Egypt	174.1	25.1	30.9	57.2	55.0	52.7
Brazil	284.8	.9	2.0	3.1	3.1	39.6
Argentina	49.0	0	2/	0	0	1.2
Peru	83.2	2.9	.2	7.6	7.1	14.5
Belgian Congo	12.7	0	0	0	0	1.0
Turkey	48.3	0	4.1	69.2	62.3	170.2
Iran	3/ 21.2	0	1.6	5.3	2.6	33.0
China	11.9	0	0	0	0	0
Others	71.4	.1	1.0	4/ 38.2	32.2	5/ 43.7
Total	1,175.0	281.7	451.3	986.8	845.2	870.8

1/ Bizone only. 2/ If any, included in "others". 3/ 4-year average.
4/ Indonesia 11.1 5/ Sudan 20.4.

Der Auswartige Handel Deutschland and Monathiche Nachweise uber den Auswaritigeu Handel and Bremer Baumwollborse.

However, many problems arose during the season with regard to imports of raw cotton. More than 40,000 bales of cotton were not received because contracts made with exporters in Iraq, Iran, and Pakistan were not fulfilled. Inability to agree on methods of financing 23,000 bales of Mexican cotton prevented this shipment from leaving Mexico. The liberal foreign exchange policy which prevailed in 1950 resulted in a sharp decline in available exchange in Western Germany and forced the Government to place strict controls on expenditures of foreign exchange for imports early in 1951. This new policy made it difficult for German cotton importers to obtain sufficient exchange with which to finance outstanding contracts, particularly those for cotton in Uganda and the Anglo-Egyptian Sudan. Exchange granted for purchases of Brazilian and Paraguayan cotton from the recent crop was too late to be of value as all of the cotton had been contracted for prior to the time German exchange was allocated.

With an increase in the world supply of cotton in 1951-52 the German supply situation would be somewhat relieved. The importance of raw cotton to the Western German economy will warrant the allocation of sufficient dollars to purchase the quantity allotted to Germany under United States export controls. In 1951-52, private sources estimate that 50 percent of requirements will be met with United States cotton, of which 60 percent will be financed with ECA funds and 40 percent with free dollars.---By John E. Manger, based in part on reports by Joseph Radford, Jr., and Pratt Byrd, Vice Consuls, American Consulate General, Bremen.

1951-52 COTTON OUTLOOK IN TURKEY

The 1951-52 cotton acreage in Turkey is estimated by private sources at 20 to 25 percent above last year's estimate of 1.1 million acres or roughly 1,350,000 acres, according to Laurell L. Scranton, Agricultural Attache, American Embassy, Ankara. Normal yields from this acreage could result in a crop of around 700,000 bales (500 pounds gross), compared with 562,000 in 1950-51. However, a considerable portion of the crop was planted late or replanted because of early heavy rains. Insect infestation is reported to be above normal. Late cotton is more susceptible to insect attack, but adequate materials to control an infestation are said to be available. The Government goal of 1,236,000 acres planted to cotton in 1951-52 has been exceeded, and the production goal of 690,000 bales for 1951-52 also appears likely to be surpassed.

Exports of raw cotton continued heavy through the first 2 months of 1951 but declined sharply during March. During the 8 months, August-March 1950-51, exports totaled 319,000 bales, or well over twice the 145,000 bales exported during the corresponding period of the 1949-50 season. Cotton exports during the entire 1949-50 season amounted to 209,000 bales. During the first 8 months of 1950-51, Western Germany was the largest export market for Turkish cotton, accounting for 162,000 bales or 51 percent of the total. About 34,000 bales were exported to Italy, 30,000 bales to the United Kingdom, and substantial amounts to Czechoslovakia and France. A trade agreement between Turkey and Spain, signed on June 19, 1951, provided for a total trade of $8.7 million each way in the ensuing 12 months, which should afford a substantial outlet for Turkish raw cotton.

Prices of cotton in Turkey declined sharply from the peak equivalent to U.S. $1.22 a pound for Acala I on the Izmir market to 81 cents a pound early in April. Although little cotton was available after this date, there were some scattered transactions at 61 to 65 cents a pound through the middle of June. Some small quantities of Acala I cotton have been sold at Adana for future delivery from the new crop at prices ranging from 40 to 51 cents a pound, although some European buyers have paid as high as 67 cents at Izmir. More recent information, however, indicates that prices of Turkish cotton have now receded almost to the level of United States prices.

COTTON-PRICE QUOTATIONS ON WORLD MARKETS

The following table shows certain cotton-price quotations on world markets converted at current rates of exchange.

COTTON: Spot prices in certain foreign markets, U.S. gulf-port average, and taxes incident to exports

Market location, kind, and quality	Date 1951	Unit of weight	Unit of currency	Price in foreign currency	Equivalent U.S. cents per pound	
					Spot quotation	Export and intermediate taxes
Alexandria		Kantar				
Ashmouni, Good..........		99.05 lbs.	Tallari			
Ashmouni, FGF..........		"	"			
Karnak, Good...........		"	"			
Karnak, FGF............		"				
Bombay		Candy				
Jarila, Fine...........	8-2	784 lbs.	Rupee	1/ 770.00	20.50	21.30
Broach Vijay, Fine.....	"	"	"	1/ 840.00	22.36	21.30
Karachi		Maund				
4F Punjab, SG, Fine....	8-1	82.28 lbs.	"	99.00	36.30	23.09
289F Sind, SG, Fine....	"	"	"	108.00	39.60	23.09
289F Punjab, SG, Fine.	"	"	"	110.00	40.33	23.09
Buenos Aires		Metric ton				
Type B.................	8-2	2204.6 lbs.	Peso	2/ 8000.00	72.58	6.77
Lima		Sp. quintal				
Tanguis, Type 3-1/2....	7-31	101.4 lbs.	Sol	480.00	31.66	8.96
Tanguis, Type 5........	"	"	"	2/ 455.00	30.01	7.20
Pima, Type 1...........	"	"	"	(not	quoted)	
Recife		Arroba				
Mata, Type 4...........	8-2	33.07 lbs.	Cruzeiro	315.00	51.82	2.4% ad valorem
Sertao, Type 5.........	"	"	"	(not	quoted)	
Sertao, Type 4.........	"	"	"	335.00	55.12	" "
Sao Paulo						
Sao Paulo, Type 5......	8-2	"	"	260.00	42.78	3.0% ad valorem
Torreon		Sp. quintal				
Middling, 15/16".......	8-2	101.4 lbs.	Peso	260.00	29.65	6.03
Houston-Galveston-New Orleans av.Mid. 15/16"	8-2	Pound	Cent	XXXXX	34.93	-

Quotations of foreign markets and taxes reported by cable from U.S. Foreign Service posts abroad. U.S. quotations from designated spot markets.

1/ Ceiling price.

2/ Nominal.